

Public Finance Authority (PFA)
Capital Financing Program
Disaster Financing Availability

- Purpose:** This program provides disaster assistance to political subdivisions affected by weather related events until federal and state money is available or to assist in cash flowing local match requirements.
- Applicant:** Any North Dakota political subdivision that is within a county that has received a Presidential Public Disaster Declaration or a gubernatorial executive order or proclamation of a state disaster or emergency.
- Lender:** Public Finance Authority. The process requires the political subdivision to submit a Capital Financing Program Disaster Financing application to the PFA. Approval is subject to credit review and approval by the PFA Advisory Committee and when applicable, the Industrial Commission.
- Use of Proceeds:** To provide short term funding for a political subdivision while the entity is waiting for reimbursement from either the federal or state government or to provide cash flow financing until sufficient tax revenues have been received to meet the local match requirements.
- Terms:** The terms of the bonds will be flexible maturities of five years or less. The interest rate is the 3 month LIBOR + 1.25% adjusted monthly with a floor of 2.25%.
- Fees:** Bond counsel fees are the responsibility of the borrower.
- Collateral:** The political subdivision must show ability to repay the financing either from Federal or State government disaster payments or from tax receipts.